

CHAPTER 4.0

LAND USE POLICY CONSISTENCY

This chapter is intended to provide the reader with background information regarding the general community setting of the proposed project, as well as information concerning the current land uses, proposed land uses, and land use policies in the vicinity of the project site. Section 15125 of the CEQA Guidelines states that “the EIR shall discuss any inconsistencies between the proposed project and applicable general plans and regional plans.”

To analyze land use consistency and land use impacts, the following approach was employed: (1) the proposed project was reviewed relative to the land use assumptions, policies and designations of the San Luis Bay Inland Area Plan Land Use Element and Circulation Element, San Luis Obispo County Framework for Planning (Inland), San Luis Obispo Energy Element, San Luis Obispo Agriculture & Open Space Element, and the San Luis Obispo County Land Use Ordinance (LUO), and (2) the proposed uses of the plan and alternatives were reviewed to identify any potential conflicts between the planned project and existing and proposed land uses in the vicinity. In some instances, a plan or land use inconsistency also poses environmental consequences, such as impacts on sensitive habitats. In these cases, the environmental consequences of the proposed project are identified in this chapter, but discussed in greater detail in the specific chapter of this EIR that focuses on that issue.

4.1 PHYSICAL SETTING

4.1.1 Regional Setting

The project vicinity is Price Canyon, which is a rural area located approximately 2.5 miles northeast of the City of Pismo Beach. Price Canyon is located in the San Luis Bay Inland Planning Area, which encompasses the south central coastal portion of San Luis Obispo County, extending from and including most of Montana de Oro on the north to the Nipomo Mesa on the south, inland as far as Highway 227 and Orcutt Road northeast of Arroyo Grande. This includes the non-coastal zone portions of the "Five Cities" urban areas of Pismo Beach, Grover Beach, Arroyo Grande, Oceano and Halcyon, the Avila Beach area outside of the coastal zone, as well as remaining agricultural and rural lands. This planning area encompasses 61,018 acres or 95 square miles.

4.1.2 Project Location

The project is located in the Arroyo Grande Oil Field in Price Canyon. Specifically, the proposed activities will affect areas within the existing Phase IV Development Area. The project site is located outside of an urban or village reserve line (approximately ¼ mile).

4.1.3 Site Characteristics

This project area is approximately bisected by Pismo Creek, which occupies the floor of Price Canyon. This area is characterized by rolling terrain with a pronounced ridge to the west, Tiber Hill to the east, and a cliff-like ridge to the northwest. The elevations of these geographic features are 607, 506 and 442 feet above seas level, respectively, and are separated by valleys at elevations of approximately 200 feet above sea level. Vegetation includes grasses, forbs, chaparral, oak woodland, Edna manzanita, and non-native vegetation. Elevations on the site range from a high of 607 feet above sea level in the northern segment of the site to

approximately 100 feet above sea level on the east side of the site within the Pismo Creek drainage. Geologic hazards include a moderate landslide potential.

The fire hazard rating is "high". Water is provided by three onsite wells and sewage disposal by an onsite septic system. Existing oil field equipment is present over the entire project site. Surrounding land uses include grazing and scattered residential development.

4.2 LAND USES IN THE AFFECTED AREA

The proposed water reclamation facility is located within PXP's 1,450-acre Price Canyon Unit. The existing use of the project area is crude oil production field, and the only land use immediately surrounding the area is grazing. Cold Canyon Landfill is in the vicinity of the project, approximately one mile to the east. The preferred alternative would involve the construction of a water reclamation facility and numerous supporting infrastructure elements including various tanks, pipelines, aerial cooling towers, and a tempering pond.

4.3 ADOPTED PLANS AND POLICIES GOVERNING THE AREA

The 320-acre Arroyo Grande Oil Field area, which is within the larger Price Canyon Unit (approximately 1,480 acres), is contained within the San Luis Obispo County General Plan and the associated LUO. The land use impacts of the project are evaluated in terms of the project's consistency with five county planning documents: (1) the *San Luis Obispo County General Plan*, (2) the *Land Use Element* of the *San Luis Obispo County General Plan* (General Plan), (3) the accompanying *LUO*, (4) the *San Luis Obispo County Energy Element*, and (5) *San Luis Obispo County Agriculture and Open Space Element*.

4.3.1 San Luis Obispo County General Plan

State law requires that the County have a General Plan with goals, policies, and programs that regulate the use of land in the unincorporated areas of the County. The San Luis Obispo County General Plan governs land use within unincorporated communities and surrounding areas. The elements followed by a "*" are those required by state law. The plan is composed of several parts or elements:

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|---|-------------------|
| • Land Use* | • Safety* |
| • Circulation* (sometimes combined with land use) | • Noise* |
| • Housing* | • Historic |
| • Conservation* | • Recreation |
| • Agriculture and Open Space* | • Energy |
| | • Offshore Energy |

The law also allows the adoption of optional elements of the general plan to address specific issues that may not be covered in sufficient detail by the other elements. The Historic, Recreation, Offshore Energy, Energy, and Agriculture & Open Space Elements are optional. The Energy Element and Agriculture & Open Space Element of the San Luis Obispo County General Plan are discussed in more detail in Section 4.3.4 and 4.3.5, respectively.

Land Use Element and Local Coastal Plan. The Land Use Element (LUE) and Local Coastal Plan (LCP) establish the overall policies for land use in the unincorporated county for both inland and coastal areas. The LUE is composed of four sections:

framework for planning, the area plans, the coastal program policy document, and the official maps.

Framework for Planning. This section of the land use element contains policies, programs and procedures that apply countywide, and it explains how the LUE is to be used with other adopted plans. The framework section also describes the various land use categories that apply to the unincorporated county, the allowable land uses within each category, and typical building intensities (parcel sizes, population, and building densities). There is also a coastal framework for planning that describes the policies, programs and land use categories that apply to lands within the coastal zone.

Area Plans. The land use element includes 15 area plans that address specific land use issues affecting the unincorporated communities and regions within the county. The area plans supplement and refine the general goals, policies and programs contained in the framework section and help to make the planning process more localized. The area plans describe where the land use categories are to be applied and discuss population growth and economic conditions, public services, and circulation. Since the project site is located in the planning area called San Luis Bay Inland, the area plan for the project area is the San Luis Bay Inland Area Plan.

Official Maps. The official land use maps illustrate where the various land use categories are to be applied in the unincorporated county. Each area plan contains land use maps that provide more detailed illustrations of where the land use designations are applied.

The LUE of the General Plan describes County policy on the location, distribution, and extent of land use throughout the County. It consists of two volumes: (a) Framework for Planning, and (b) Area Plans. The area plans refine the general policies in the Framework for Planning into separate land use issues and policies for each community. The LUO is a regulatory tool for implementing policies for each community. Thus, it helps guide land use in manner that supports orderly development. The Energy Element and Agriculture and Open Space Element are components of the County General Plan.

4.3.2 San Luis Bay Inland Planning Area Plan

Adopted in 1994, the plan contains both a land use element and circulation element, which have a number of policies and standards for the planning area. It prescribes land use policies for the San Luis Planning Area, including regulations that are also adopted as part of the LUO. This area plan allocated land use throughout the planning area by land use categories (zoning) that determine what kinds of uses of land can be established. There are 11 land use categories:

- AG – Agriculture
- RL – Rural Lands
- RR – Residential Rural
- RS – Residential Suburban
- RSF – Residential Single Family
- RMF – Residential Multi-Family
- CR – Commercial Retail
- CS – Commercial Service
- IND – Industrial
- REC – Recreation
- OS – Open Space

The land use designations within the PXP Price Canyon Unit are Agriculture and Rural Lands. These designations determine the variety of land uses that may be established on a parcel of land, as well as defining their allowable density and intensity.

The diverse environmental and built features of San Luis Obispo County create a need for more careful review of development projects in areas where new development could adversely affect sensitive resources or result in the exposure of people or property to natural hazards. For this reason, the land use element contains combining designations that identify areas with characteristics that are either of public value or are natural hazards. The combining designations are applied to the basic land use designations in the unincorporated county as described in each area plan.

Specific development “standards” are also defined by the plan to address special problems and conditions in individual communities. Applicable to this project, as an oil development project, are the policies relating to “Combining Designations”, which are special overlay land use categories applied to areas with potentially hazardous conditions or significant natural resources. The two combining designations applicable to the project include FH – Flood Hazard, and EX – Energy/Extractive Area.

4.3.3 County of San Luis Obispo Land Use Ordinance

County of San Luis Obispo LUO lists standards (requirements) and permit procedures for developing land. These standards include features of site design, such as minimum parcel size, the required width of yards (setbacks), the height of buildings, and the number and design of parking spaces, as well as standards for grading, drainage, curb and gutter improvements, and tree removal.

4.3.4 County of San Luis Obispo Energy Element

The purpose of the Energy Element is to: (1) increase energy efficiency in the County, (2) provide policy guidance regarding the implications of energy use, (3) document the County’s energy resources, (4) determine land use and environmental criteria for evaluating future energy projects, and (5) provide alternatives which encourage exceeding the State’s energy regulations for new construction. It contains specific policies regarding fossil fuel production, including pumps, wells, refineries, pipelines, and marine terminals.

4.3.5 County of San Luis Obispo Agriculture & Open Space Element

The purpose of the Agriculture & Open Space Element is to: (1) identify those areas of the county with productive farms, ranches and soils, and to establish goals, policies and implementation measures that will enable their long-range stability and productivity, and (2) identify open space lands that are worthy of protection for their intrinsic value, and establish goals, policies and implementation measures that will enable the long-term protection of those resources.

4.4 ANALYSIS OF IMPACTS RELATED TO LAND USE AND PLAN CONSISTENCY

4.4.1 Thresholds of Significance

Based on the mandatory findings of significance criteria of Section 15065 and Appendix G of the State CEQA Guidelines (Governor’s Office of Planning and Research, 1999), an impact would

be significant if any of the following conditions, or potential thereof, would result with implementation of the proposed projects:

1. Physically divide an established community;
2. Conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the project (including but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect.
3. Conflict with any applicable habitat conservation plan or natural community conservation plan;
4. Have a substantial impact on a scenic vista;
5. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings and historic buildings within a state scenic highway;
6. Substantially degrade the existing visual character or quality of the site and surroundings; and,
7. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area.

4.4.2 Project Impacts

Impact LND-1. Physically divide an established community.

Discussion: The proposed project will take place within an existing oil field development area that has been in operation for nearly 100 years. The project area is located outside of an urban or village reserve line in a rural area. The nearest community is the City of Pismo Beach, which is located at least three miles from the project site. The proposed activities are consistent with current uses and will not physically divide an established community. This impact is considered less than significant.

Impact Category: Class 3

Threshold of Significance: 1

Mitigation Measure: None required

Impact LND-2. Compatibility with San Luis Obispo County Land Use Categories

Discussion. The project is located in the San Luis Bay Inland Planning Area. The applicable land use categories for the project site are Agriculture and Rural Lands, and the combining designations for the area are Energy and Extractive Uses and Flood Hazard (Pismo Creek). The land use categories are discussed below, while the requirements of the combining designation (since they are expressed in the form of policies) are discussed in the following section.

The project site includes two land use categories: Agriculture and Rural Lands. Petroleum extraction, the land use approved under the Phase IV expansion, is allowed in both of these land use categories according to the Framework for Planning. The proposed water reclamation facility is an accessory use to petroleum extraction and is

consistent with the land use designation. Such use is subject to special standards or permit procedures described in the LUO section 22.08.170 (Resource Extraction).

The Area Plan states under the description of the land use category Rural Lands (Chapter 6, Section A, page 6-2) that:

Extraction operations must be performed in a manner that will stress re-use of the land, and protect the visual quality to the maximum extent possible. Development proposals for open pit mining to extract oil from the surface geology would not be appropriate.

Since the only surrounding land use is grazing, re-use of the project site would most likely comprise grazing. The project would not preclude eventual re-use of the area for grazing.

The visual quality of the site is already disturbed from existing Oil Field operations. Adding a water reclamation facility, two filtered water tanks, two day tanks, a recovery water tank three air-strippers, and other related infrastructure would result in less than significant visual impacts (see Section 5.3 - Aesthetics). Mitigation measures provided for biological impacts would minimize visual impacts as well (see Section 5.3 and 5.5).

Unlike the above policies for Rural Lands in the project area, the Area Plan includes no policies that apply specifically to the land use category Agriculture in the project area.

Impact Category: Class 3

Threshold of Significance: 2

Mitigation Measure: None required.

Impact LND-3. Consistency with the County of San Luis Obispo General Plan Land Use Element and San Luis Bay Inland Area Plan.

Discussion: The principal policies to which the project is subject are described in the Land Use Element of the County's General Plan. These are contained in the San Luis Bay Inland Area Plan, which covers the project area. The applicable policies from this document include the requirements of the combining designations, and planning area standards. The project's consistency with these requirements is discussed below.

Requirements of the Combining Designation Energy and Extractive Uses

The San Luis Bay Inland Area Plan notes that the Price Canyon/Ormonde Road Oilfield has the combining designation of Energy and Extractive Uses (sometimes called Energy and Extractive Areas), and states (Chapter 7, Section A, page 7-2):

This designation includes those areas shown as Rural Lands. These operations should not be expanded into adjacent land use categories or existing operations intensified without full review through a public hearing process. The scenic value of Price Canyon should also be protected as an entry to the City of Pismo Beach.

The area of the proposed RO Produced Water reclamation facility is contained entirely within PXP's Price Canyon Unit, which, as noted above, includes the Rural Lands and Agricultural land use categories. Since associated petroleum extraction is allowed within these two land use categories and since the

proposed project area would not encroach upon any other land use categories, it is compatible with existing land uses and is, therefore, consistent with this portion of the objective noted above. This project would require a Conditional Use Permit from the County, as Section 22.34.040(B)(1) of the *LUO* states that a grading permit may be required for site preparation as determined by *Ordinance 22.52.070* (Grading).

The project is also potentially consistent with the objective of preserving the scenic value of Price Canyon. The project represents only an incremental expansion of the existing oilfield operation. As such, the project is consistent with the existing development of the site. Also, much of the project would not be visible because of the rolling terrain of the area; however, mitigation measures would be applied to the air-stripper towers (please refer to Section 5.1.1) in order to ensure that they are not highly visible from public viewpoints. For these reasons, the project would not noticeably detract from the existing scenic quality of Price Canyon. The project site is not located in the Pismo Beach Hillside Sensitive Resource Area (SRA)¹.

Requirements of the Combining Designation Flood Hazard

The San Luis Bay Inland Area Plan also notes that Pismo Creek, which runs through the middle of the Phase IV area, is subject to the combining designation of Flood Hazard, and states (Chapter 7, Section B, page 7-2):

These drainage courses should be maintained in their natural state and native vegetation and habitats retained.

The proposed project activities will occur entirely within the Phase IV project boundary. As shown in Figure 4-4, Pismo Creek runs directly through the middle of the project area. Pismo Creek will be directly affected by the proposed project two-fold: 1) through release of treated water directly into the waterway, and 2) by construction of the conveyance pipeline through the 100-foot buffer to an area of rip-rap alongside the creekbank. The proposed release of up to 1.3 cfs to Pismo Creek would not be sufficient to raise significant concerns attributed to flooding.

The Framework for Planning discusses (Chapter 7, Section A, page 7-9 and 7-10) the general objectives for the combining designation called Energy and Extractive Area (designated "EX").

1. *Following approval of an energy or resource extraction project, the County should initiate an amendment to the Land Use Element to apply this combining designation to the property to ensure compliance with the applicable standards of the Land Use Ordinance (Ord. 2498, Amended 1991).*

The appropriate combining designation (Energy and Extractive Uses) has already been applied to the project area.

¹ This combining designation imposes specific requirements for oil and gas production facilities, including a visual analysis demonstrating that the project complies with site development standards.

2. *Extraction operations and energy facilities should be provided with adequate buffering and screening from adjacent land uses.*

The proposed project would help facilitate and allow for increased intensity of oil development already approved under the Phase IV Expansion Plan; as part of this plan and previous phases, buffering and screening from adjacent land uses is already present to a degree. However, as discussed under aesthetics (Section 5.3), some elements (e.g. air-stripping towers) of the proposed project may be visible from both Price Canyon Road and several residences on a bluff top about three-quarters of a mile to the northwest (areas which were identified as potentially affected by Phase IV implementation in the Phase IV EIR). Due to intervening topography and existing vegetation and applied mitigation, adequate buffering and screening would be present.

3. *Applications for proposed extraction operations should include plans for preserving the long-term productivity of the site as well as site restoration after termination of extraction operations.*

Oil development has occurred on this site for nearly one hundred years. The project application does not include plans to preserve this long-term productivity or to eventually restore the site. This is probably because the applicant plans to continue oil development on the site for many years to come. Although the proposed project covered by this SEIR does not specifically involve extraction, it would facilitate the continued oil extraction activities approved as part of the Phase IV Expansion project, and thus, the two are inextricably linked. The project is, therefore, potentially inconsistent with this objective.

4. *Extraction site access routes should not create nuisances or hazards for adjacent properties.*

Access roads into the site from Price Canyon Road and Ormonde Road appear to be well maintained. As with the Phase IV EIR, the traffic and circulation discussion in this SEIR (Section 5.1.6) recommends that warning signs be provided on Price Canyon Road prior to the construction phase to notify through traffic of large, slow-moving truck traffic entering and exiting the site. Since no other access hazards associated with the project have been identified, the adoption of this mitigation measure would make the project consistent with this objective.

5. *Wherever possible, oil and gas drilling production, and processing should be in consolidated locations, rather than spread out over numerous sites.*

The project would serve to directly facilitate previously-approved increased oil development activities within an existing oil development area. The proposed project would not be allowed to expand oil development into other areas. Furthermore, oil produced under the Phase IV expanded operations (and facilitated by the water reclamation facility) would be processed at the existing oil processing facilities. Therefore, the project is consistent with this objective.

6. *Exploratory gas and oil wells should be subject to review procedures separate from those for development/production operations.*

No exploratory wells are proposed as part of the project.

The San Luis Bay Inland Area Plan includes planning area standards. These standards are mandatory requirements for new developments in the San Luis Bay Inland Planning Area. The area plan states (Chapter 8, page 8-7) that, for Energy and Extractive Resource Areas, the planning area standard is:

Development Plan approval is required for any expansion of existing oilfield operations in Price Canyon, Tiber Canyon, and in the hills of Ormonde Road into adjacent land use categories.

The project would not expand oilfield operations into any adjacent land use categories, so this objective is not pertinent to the project.

The Area Plan includes two other planning area standards that, while not specific to Energy and Extractive Resource Areas, could still apply to the project:

1. Sloping Sites. *Except for lands in the Agriculture category east of Montana de Oro, Development Plan proposals for sites with varied terrain are to include design provisions for concentrating developments on moderate slopes, retaining steeper slopes visible from public roads undeveloped.*
2. Undergrounding – Development Plan Projects. *All projects requiring Development Plan approval are to provide for underground utilities unless the Planning Commission determines either that: the proposed development will be of low intensity or in an isolated location; or that supporting overhead utilities will not be visible from public roads; or that overriding operational, economic, or site conditions of the project warrant waiver of this requirement.*

The proposed project would not require any new utility lines; the existing lines, which are above ground, would serve the water reclamation facility. Since no new utility lines are proposed, this standard would not apply to the project.

Impact Category: Class 3

Threshold of Significance: 2

Impact LND-4. Consistency with the County of San Luis Obispo Land Use Ordinance.

Discussion: Specific policies pertinent to onshore oil extraction are described in the *Land Use Ordinance* under Section 22.34.010, titled Petroleum Resource Development (last revised January 1, 2003). Subsections 22.34.030 (Drilling Permit Requirements), and 22.34.040 (Oil and Gas Well Development Standards) apply to the proposed project.

Per the San Luis Bay Inland Area Plan, operations at the Arroyo Grande Oil Field should not be expanded into adjacent land use categories or existing operations intensified without full review through a public hearing process; therefore, the project would not conflict with the LUO.

Required Permits. The principal land use permit for the proposed project is a Conditional Use Permit. Section 22.34.040(B)(1) of the LUO states that a grading permit may be required for site preparation and access roads to the water reclamation facility, as determined by *Ordinance 22.52.070* (Grading). Minor Use Permits shall be submitted

for activities in the “high” environmentally sensitive areas, grading permits shall be permitted for activities outside these areas, but still requiring some grading. The project would have to comply with all applicable ordinances described above, as interpreted by the County of San Luis Obispo.

Impact Category: Class 3

Threshold of Significance: 2

Mitigation Measures: None required.

Impact LND-5. Consistency with the County of San Luis Obispo Energy Element.

Discussion: Specific policies pertinent to fossil fuel production are described in the *Energy Element* under Chapter 5, titled Fossil Fuel Production (adopted April 25, 1995) apply to the proposed project. Table 4.4-1 lists the *applicable* policies contained within the Energy Element and provides a discussion of how the proposed project is consistent with each of these policies. Overall, the project, as identified in the Phase IV EIR, is consistent with the Energy Element. No additional oil extraction activities are proposed that have not already been approved under the previous EIR. Therefore, no significant impacts will occur. The project would have to comply with all applicable policies described above, as interpreted by the County of San Luis Obispo.

Impact Category: Class 3

Threshold of Significance: 2

Mitigation Measures: No significant impacts were identified; therefore, no mitigation is necessary.

Table 4.4-1
San Luis Obispo County Energy Element

Policy Statement	Project Consistency Discussion
<u>Policy 52.</u> Proposed new or major additions to fossil fuel facilities must provide a sufficient buffer zone from existing or proposed human population, with special consideration given to those who cannot be quickly evacuated to safety, such as the disabled and elderly. To establish a buffer zone, a comprehensive risk analysis should be completed.	The proposed project will be within an existing oil producing area that is located approximately 2 miles from Pismo Beach.
<u>Policy 55. Guideline 55.1.</u> A system safety review report shall be completed prior to approval of a proposed facility, or major addition to an existing facility. This report shall be completed by an objective third party, with all costs borne by the applicant. The report shall be reviewed by the safety review committee. The purpose is to	Section 5.10 – Hazards/Risk of Upset contains a review of the existing safety measures implemented at the project site.

Policy Statement	Project Consistency Discussion
<p>evaluate the overall safety of the proposed facility and should include, but is not limited to, a review of past safety records, evaluation of current safety practices, analysis of maintenance and repair procedures and system testing procedures.</p>	
<p><u>Policy 55. Guideline 55.2.</u> Regular monitoring and inspection of facilities shall be documented to ensure compliance with standards established as part of conditions of approval or an environmental quality assurance program. Project related conditions of approval shall be conspicuously posted and available at all times.</p>	<p>The applicant conducts routine monitoring and testing programs as part of regular operations of the facility. Copies of the results of these efforts have been submitted as part of this project.</p>
<p><u>Policy 55. Guideline 55.3.</u> As part of the land use permit application, existing and proposed facilities should submit to the county monitoring and testing programs relevant to the project and the region being implemented, or proposed by the operator. The most recent test results for existing facilities shall also be submitted.</p>	<p>The applicant conducts routine monitoring and testing programs as part of regular operations of the facility. Copies of the results of these efforts have been submitted as part of this project.</p>
<p><u>Policy 56.</u> Encourage existing and proposed facilities to focus on measures and procedures that prevent oil, gas, and other toxic releases into the environment. This policy is to ensure that facilities: (1) take measures to prevent releases and spills, (2) prepare for responding to a spill or release, and 3) provide for the protection of sensitive resources. A review of a facilities spill response plan, or reports from other agencies, should be completed to monitor compliance.</p>	<p>Section 5.10 – Hazards/Risk of Upset contains a review of the existing facilities spill response plans and related reports. Findings for this review indicate that the existing and proposed facilities contain measures and procedures that prevent oil, gas, and other toxic releases into the environment.</p>
<p><u>Policy 58.</u> When new sites are needed for industrial or energy-related development, expansion of facilities on existing sites (or on land adjacent to existing sites) shall take priority over opening up additional areas or the construction of new facilities. Exceptions will only be allowed when it can be shown that (1) alternative locations) are infeasible and that the environmental impacts of opening up new sites are less than the impacts of expansion on or adjacent to</p>	<p>The project involves the addition of accessory facilities within an area that is already used for oil production. No new areas outside of the existing project area will be impacted. Mitigation measures have been proposed to mitigate adverse environmental impacts to the maximum extent feasible.</p>

Policy Statement	Project Consistency Discussion
existing sites, (2) to do otherwise would adversely affect the public welfare, and (3) adverse environmental impacts are mitigated to the maximum extent feasible. Adverse environmental impacts from the siting or expansion of existing industrial or energy developments shall be mitigated to the maximum extent feasible.	
<u>Policy 58. Guideline 58.1.</u> An adequate source of water for use by the facility shall be identified in the project application. The application shall include information about the amount and source of water used by the facility. The types of activities the water will be used for shall also be described.	The proposed project will utilize produced water. The amount, source, and application of this water is described in Chapter 3.0 - Project Description.
<u>Policy 58. Guideline 58.2.</u> Site specific surveys, including inventorying of rare plants, should be completed at the appropriate time of the year, as part of preliminary work for any proposed facility. Consideration shall be given to the various seasons of migratory or transitory species. Further study may be required as part of the environmental review process.	As described in Section 5.3 - Biological Resources, site-specific surveys, including inventorying rare plants, were completed for this project in Spring 2007.
<u>Policy 58. Guideline 58.3.</u> Site specific mitigation measures should be proposed with the application to mitigate construction and long-term impacts on terrestrial biota. The applicant shall submit a restoration, erosion control, and revegetation plan that is consistent with the results of the environmental review process. The plan must be approved by the County Planning and Building Department.	Site-specific measures are included in Section 5.3 - Biological Resources to mitigate construction and long-term impacts on terrestrial biota.
<u>Policy 58. Guideline 58.4.</u> To enhance compatibility with surrounding areas, no direct beams of exterior lighting should be visible beyond the boundaries of the parcel. Low intensity, shielded, and highly efficient fixtures are preferred for outdoor lighting at a facility.	Low intensity, shielded, and highly efficient fixtures would be utilized for outdoor lighting and no direct beams to nearby residences will occur.
<u>Policy 58. Guideline 58.5.</u> Proposed facilities shall be screened or fenced from view to reduce visual impacts identified	Proposed facilities would be screened from view to the extent feasible to reduce visual impacts. Such screening includes existing berms and vegetation and

Policy Statement	Project Consistency Discussion
during the environmental review process. Requirements for screening are included in the land use ordinances.	additional plantings. See Section 5.1.1 - Aesthetics.
<u>Policy 58. Guideline 58.6.</u> Facilities should be sited in swales or other natural depressions where appropriate and should not be profiled against horizons.	Proposed facilities would be located to the extent feasible in swales and other natural depressions. Specifically, the proposed new air stripper towers would be located in an area that will not create silhouetting or other significant impacts to the visual character of the area as seen by motorists traveling along Price Canyon Road. See Section 5.1.1 - Aesthetics for more discussion.
<u>Policy 58. Guideline 58.7.</u> Screen facilities from public view through height limitation, careful site design, artificial contoured banks and mounding, extensive landscaping, and decorative walls and fences.	Proposed facilities would be screened to the extent feasible from public view by existing vegetation and topography. The proposed air strippers will be painted to reduce visibility. See Section 5.1.1 - Aesthetics.
<u>Policy 58. Guideline 58.8.</u> Any part of the facilities that cannot be effectively screened shall be painted with non-reflective paint and with colors which blend with the surrounding natural landscape.	Proposed facilities would be painted with a flat green, non-reflective paint that blends with the surrounding natural landscape of the project site. See Section 5.1.1 – Aesthetics.
<u>Policy 62.</u> Consolidate new pipeline corridors within existing pipeline or electrical transmission corridors to the maximum extent technically and environmentally feasible.	Any required re-use pipelines would be installed above ground along existing pipe corridors to minimize environmental disturbances.
<u>Policy 63.</u> If new pipelines are necessary, encourage common carrier or multiple-user pipeline construction and use.	Any required re-use pipelines would be installed above ground along existing pipe corridors to minimize environmental disturbances.
<u>Policy 64. Guideline 64.1.</u> To reduce the possibility of injury to the public, facility employees, or the environment, the applicant shall submit an emergency response plan, as part of the Hazardous Materials Business Plan which details response procedures for incidents that may affect human health and safety or the environment. The plan shall be based on the results of the comprehensive risk analysis. In the case of a facility modification, the existing response plan shall be evaluated by the safety review committee and revisions made as recommended.	The applicant has prepared an emergency response plan for existing and proposed operations. Section 5.6 – Hazards/Risk of Upset contains a review of this plan.

Policy Statement	Project Consistency Discussion
<p><u>Policy 64. Guideline 64.2.</u> Major new facilities shall be sited within five minutes response time of an adequately staffed and equipped fire/emergency response station. A fire protection system and response plan shall be approved by the governing authority.</p>	<p>The project involves the addition of an accessory facility to the existing oil production operation. The City of Pismo Beach operates a fire station within city limits, near Price Canyon Road, about 2 miles from the project site and within 5 minutes response time.</p>
<p><u>Policy 65.</u> In the event of a petroleum or hydrocarbon release, implement the following policies:</p> <ul style="list-style-type: none"> • Emergency response and initial clean up of the spill site shall be completed as soon as possible. An emergency permit shall be granted as appropriate. A state of emergency as defined in the general plan must exist for a permit to be granted. • Environmental impacts caused by response and clean up activities shall be minimized. Environmental monitors(s) shall be onsite to reduce possible impacts. • A post-spill environmental assessment of the site shall be performed to evaluate and quantify the damage to resources. • Remediation and restoration of the site to pre-spill conditions shall be completed. • If the site cannot be restored to its pre-spill condition, the responsible party shall contribute to an environmental enhancement fund to be used for on or off-site mitigation projects. 	<p>The project does not involve any additional oil production or treatment facilities. Therefore, the potential for hydrocarbon release would not increase. Section 5.6 – Hazards/Risk of Upset contains measures to minimize impacts in the event of a petroleum or hydrocarbon release.</p>

Impact LND-6. Consistency with the County of San Luis Obispo Agriculture and Open Space Element.

Discussion: Specific policies regarding the protection of agricultural lands are contained in the Agriculture & Open Space Element under Chapter 2, entitled Agricultural Element (adopted December 15, 1998). Table 4.4-2 lists the *applicable* policies contained with this element and provides a discussion of how the proposed project is consistent with each of these policies. Overall, the project is consistent with the Agriculture & Open Space Element.

Impact Category: Class 3

Threshold of Significance: 2

Mitigation Measures: No significant impacts were identified; therefore, no mitigation is necessary. The project would have to comply with all applicable policies described above, as interpreted by the County of San Luis Obispo.

Table 4.4-2
San Luis Obispo County Agriculture & Open Space Element

Policy Statement	Project Consistency Discussion
<p><u>AGP25: Unique or Sensitive Habitat</u></p> <p>a) Encourage private landowners to protect and preserve unique or sensitive habitat.</p> <p>b) For new development requiring a discretionary permit and for proposed land divisions, protect unique or sensitive habitat affected by the proposal through the following measures:</p> <ol style="list-style-type: none"> 1. Site the proposed development so as to avoid significant impacts on the habitat to significant impacts on the agricultural operations. Provide for adjustments in project design where alternatives are infeasible, more environmentally damaging, or have significant negative impact on agriculture. 2. When significant impacts are identified, the landowner shall implement county-approved mitigation measures consistent with the existing requirements of CEQA. 	<p>Construction (e.g., clearing and grubbing of vegetation, rough grading, etc.) has the potential to impact both seasonal and perennial wetland habitat areas located along the southeastern corner of the proposed water reclamation facility site. In addition, the proposed project will include the permanent loss of a CDFG-defined state wetland due to installation of a tempering pond. Lastly, the proposed project will result in the removal of coast live oak woodland habitat (i.e., 26 mature oak trees) due to construction of the water reclamation facility. However, impacts to existing wetland habitat areas will be avoided through project design and permanent loss of the state wetland will be mitigated through preparation and implementation of a Compensatory Mitigation Plan or funding of a County wetland mitigation bank. Lastly, all oak tree impacts will be mitigated by replanting oak trees at a 4:1 ratio for those oak trees removed during project implementation and a 2:1 ratio for those oak trees impacted during project implementation.</p>
<p><u>AGP26: Streams and Riparian Corridors.</u></p> <p>The following policies apply to watercourses shown by a solid or broken blue line ("blue line" streams) on the latest U.S. Geological Survey (USGS) quadrangle maps and their associated riparian vegetation.</p> <p>a) Encourage private landowners to protect and preserve stream corridors in their natural state and to restore stream corridors that have been degraded. Provide information and incentives to eliminate overgrazing in stream corridors.</p>	<p>Construction (e.g., clearing and grubbing of vegetation, rough grading, etc.) within the buffer zone of 100 feet from both sides of Pismo Creek's banks (San Luis Obispo County Land Use Ordinance 22.07.166) will be limited to the discharge pipeline and proposed outfall structure. The new structures will be located within a previously disturbed area and the actual outfall pipe(s) will be anchored upon existing rip-rap on the creek bank. Further, impacts to existing riparian habitat (i.e., willows) will be minimized to the extent feasible. All unavoidable impacts to willows will be mitigated through preparation and</p>

Policy Statement	Project Consistency Discussion
<p>Encourage off-stream livestock watering sources.</p> <p>b) For new development requiring a discretionary permit and for land division, protect streams and riparian habitat affected by the proposal through the following measures:</p> <ol style="list-style-type: none"> 1. Consistent with the requirements of the Regional Water Control Board's Basin Plan, establish a grading and building setback of 30 feet from the top of the stream bank. Locate buildings and structures outside the setback. Do not remove riparian vegetation within 30 feet of the top of the stream bank. Provide for adjustments when the applicant demonstrates that such setbacks would have a significant negative impact on the agricultural viability of the site, or where alternatives are infeasible or more environmentally damaging, and the adjustments are acceptable to the Regional Board. 2. Require appropriate erosion control measures during and following construction. 3. Consistent with state and federal requirements, allow stream alterations for water supply and flood control projects, road maintenance, maintenance of existing channels, or improvement of fish and wildlife habitat if there are no practical alternatives. 4. Consistent with state and federal requirements, assure that stream diversion structures protect habitats. 5. When significant impacts to stream or riparian resources are identified, the landowner shall implement county-approved 	<p>implementation of a Compensatory Mitigation Plan which will include replacement of willow habitat removed during projects operations at a 5:1 ratio. In addition, an Erosion Control Plan and Spill Contingency Plan will be required for the project. Lastly, all other blue-line streams of the project site (tributaries to Pismo Creek) will be avoided during project implementation.</p>

Policy Statement	Project Consistency Discussion
mitigation measures consistent with the existing requirements of CEQA.	
<p><u>AGP33: Archaeological and Cultural Sites.</u></p> <p>a) When reviewing discretionary development, protect sensitive archaeological and cultural sites by avoiding disturbance where feasible.</p> <p>b) If sensitive sites cannot be avoided, mitigate the impact of development to the maximum extent feasible.</p>	<p>Section 5.6 Cultural Resources of the Phase IV EIR contains a discussion of the archaeological and cultural resources at the project site as well as mitigation measures to avoid or minimize impacts to such resources. Prescriptive mitigation measures from the Phase IV EIR will be carried over for incorporation into this SEIR. No significant impacts to archaeological resources will occur, therefore, the project is consistent with this policy.</p>
<p><u>AGP34: Historical Resources.</u></p> <p>a) When initiated by landowners, protect the character of significant historical features and settings by implementing the recommendation for historical resources found in the Historic Element of the Environment Plan</p>	<p>Section 5.1.3 Cultural Resources in this SEIR contains a brief discussion of the historical resources at the project site as well as mitigation measures to avoid or minimize impacts to such resources. No significant impacts to historical resources will occur, therefore, the project is consistent with this policy.</p>